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Awareness Of Electronic Banking System Among Students: Evidence From Karachi, Pakistan

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Abstract: *The banking industry is one of the most well-known in the modern world, and electronic banking is a key component of the banking system. E-banking services are more popular than other services because people don't have much time to visit banks on a regular basis. People's interest in traditional banks has quickly increased due to e-banking.The development and awareness of electronic banking among students in Karachi, Pakistan, is the main emphasis of this study. To determine the relationship between Awareness, Convenience, Security, and Satisfaction, a correlation test is employed. Analysis is done using the 250-student sample that was gathered. The results demonstrate that Karachi students are well-versed in the new bank services, particularly the electronic services.*

Key Words: E-Banking, ATM, Debit Card, Credit Card, Virtual Banking, Virtual Cash.

Introduction

The presence of internet services in the financial sector has created competition for new services (Lymperopoulos 2004). These methods make it easier for users to manage their accounts (Balachandher et al, 2001). In Pakistan, the majority of banks provide electronic banking services. People now prefer convenience when selecting goods and services, and living standards have altered.

These days, computers are ubiquitous in homes, workplaces, and other settings, and people are more dependent on electronics. This essay aims to determine whether or not Karachi students are sufficiently informed of the new and quickly expanding electronic banking services. People now have more convenience in terms of time, money, etc. People would rather achieve their goals since they lack the time to visit banks and wait for their turn to complete any transactions.

Consequently, they would rather achieve their banks' electronic services. To draw in and keep consumers, banks have offered easy services like ATMs, debit cards, credit cards, virtual banking, and virtual cash. Security concerns in Pakistan are a big factor in the preference for electronic banking services. While carrying money, people are afraid and do not feel liberated. They are able to unwind and feel comfortable thanks to electronic banking services. They don't need to carry cash when they shop because they can use their credit and debit cards.

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Review of Literature

Due to its widespread use in all forms of commerce, the internet is one of the primary factors that impact humans (Howcroft, B. 2002). To gain an advantage, all reputable banks use electronic banking systems (Moutinho 2002

Convenience

Adopting and utilizing updated processes and procedures is a fundamental requirement for nations to thrive quickly in this fierce competition. In this competitive day, every business uses electronic media to compete and thrive. Aladwani (2001) claims that banks use electronic channels, or "E-Banking," to help their clients and stay in contact with them. E-banking has become a significant aspect of our lives, according to Yin (1994). Banks are using electronic banking systems to get closer to their customers.

According to Balachandher et al. (2001), new facilities are implemented to help customers avoid moving or thinking about competing businesses. In a similar vein, banks and other businesses are making significant efforts to both draw in new clients and keep existing ones. With technological services, people in underdeveloped nations are happier than those in developed nations because they have less stress and more mental relaxation. In emerging nations, there are a lot of cities.

We can argue that electronic services have lessened people's tension and many other issues when they are unable to enjoy mental freedom owing to law and order situations, corruption, robberies, road snatching, etc. People can now take use of computerized banking services, enjoy mental relaxation, and avoid carrying cash. Even if the standard of living is far higher in industrialized nations, computerized banking services have also had a good impact on people's lives.

Awareness

Enhancing the services provided by the companies not only makes things more convenient for customers, but it also makes them happier. Customers have benefited from electronic banking services by saving money, time, and other expenses (Furst 2002). The banking industry is doing very well in Pakistan, despite the fact that it is not doing as well in emerging nations as it does in industrialized ones. Pakistani banks are helping their clients by offering them advanced services.

In order to help their customers, banks also use a variety of media to raise awareness of their services, products, and initiatives (Richard 2009). To raise public awareness, banks are holding seminars, launching new services, and advertising their benefits via billboards, TV, newspapers, radio, banners, and other media.Because the majority of people in developing nations lack literacy, they occasionally hesitate to visit banks. However, the availability of computerized banking systems has boosted their confidence in their ability to benefit from banking services (Chaudhury et al., 2002). In order to increase their earnings and customer happiness in this cutthroat market, practically all banks now offer electronic services (Furst 2002). By offering advance services with interest-free facilities, Islamic banks are drawing clients from Islamic nations (Balachandher et al, 2001).

Satisfaction

Customers will get devoted and use other services if they are happy with the services provided by banks. In addition to using bank services, loyal customers spread the news about them. Even during difficult times, happy and devoted customers stick with banks and other businesses. Customer satisfaction indicates that consumers are content and banks are meeting their needs (Aladwani 2001). Customers become devoted to the banks and use their goods and services because they receive the specific attention and care that they require.

In Pakistan, banks are contributing to sports, education, health, and other areas of the public's welfare in addition to the welfare of their clients. Because consumers believe they are making a difference by utilizing these companies' goods and services, investing in corporate social responsibility also boosts customer happiness. Banks and other corporations invest money on their employees' health, education, and training in addition to making donations and helping various charity groups to improve their reputation among the public and boost consumer satisfaction. Both customer and employee satisfaction have grown as a result of the banking system's improvement Because of advanced banking facilities, employees are working in a paper-free atmosphere. A paper-free workplace has improved employee satisfaction by resolving various issues and lowering mental stress. Both bank personnel and customers benefited from electronic banking systems (Aladwani 2001).

To help their customers, banks offer various services from other businesses, such as insurance, which raises customer satisfaction (Lin 2003). Employee satisfaction boosts an organization's productivity, while client satisfaction boosts its profitability. As a result, both are crucial to the organization's success.

Security

People do not feel themselves secure with new electronic banking systems Because they are snatched in ATMs, on the road, and other places, people do not feel safe using new electronic financial systems (Aladwani 2001). These facilities and services are causing people to experience financial, economic, and mental stress (Chaudhury et al, 2002). In order to protect their customers from such security issues, banks are now offering a variety of services (Fredriksson 2003). The only thing that disappoints people is the security risks associated with electronic banking services and facilities, which are attractive due to their ease of use and convenience (Bowen et al., 2000).

Methodology

Research Questions

Are Karachi pupils sufficiently informed of Pakistan's most recent e-banking services?
Is using an electronic banking system more convenient than using a manual one?
Does the use of electronic banking products and services improve banks' performance?
Is there a connection between e-banking service awareness and satisfaction?
Is there a relationship between e-banking system convenience and satisfaction?

Population and Sample

The population of our study consists of students from various fields at various Karachi universities. The students' information is gathered by convenience sampling. To gather data, 260 questionnaires were distributed.

Data Collection

Questionnaires are used to gather data. In order to gather data, many departments from various colleges and universities were visited to speak with the students. Students from various academic fields were gathered and asked to complete the survey.

Data Analysis

SPSS software is used to measure the results of collected data. The results are discussed as under:

Table 1: Distribution Gender Wise

Male	Female	Total
140	120	260

The questionnaire was completed by 260 students from various departments at various colleges and institutions. The questionnaire was completed by 120 female students and 140 male students. The targeted individuals were students from several Karachi colleges and universities in various fields

Table 2: Age Distribution

	Frequency	Percentage	Cumulative frequency
under 19	50	19.2%	50
20-25	180	69.23%	230
26-30	20	7.69%	250
above 30	10	3.84%	260

Students of various ages were able to participate in the study thanks to the distribution of questionnaires.

Table 3: Distribution on Education

	Frequency	Percentage	Cumulative frequency
under Graduate	95	36.53%	95
Graduate	110	42.30%	205
Post graduate	55	21.15%	260

The questionnaires were completed by 42.30% of graduate students, who are well-versed in the new electronic services offered by banks. 21.15% of postgraduate students and 36.53% of undergraduate students responded. The younger generation is embracing and utilizing new technologies.

Table 4: Awareness about ATM usage

	Frequency	Percentage	Cumulative frequency
Strongly Disagree	80	30.76%	80
Disagree	70	26.92%	150
Neutral	50	19.23%	200

Agree	30	11.53%	230
Strongly Agree	30	11.53%	260

Table 5: Debit/Credit Cards Usage

	Frequency	Percentage	Cumulative frequency
Strongly Disagree	20	7.69%	20
Disagree	40	15.38%	60
Neutral Agree	50	19.23%	110
Strongly Agree	70	26.92%	180
	80	30.76%	260

70% respondents know about the usage and benefits of debit and credit cards which mean people are interested and well aware of the debit and credit cards.

Table 6: Mobile Transactions Usage

	Frequency	Percent	Cumulative frequency
Strongly Disagree	50	19.23%	50
Disagree	70	26.92%	120
Neutral Agree	20	7.69%	140
Strongly Agree	80	30.76%	220
	40	15.38%	260

80% of consumers are aware that transactions can be completed via mobile devices, allowing them to use their accounts without going to the bank. To help their customers as much as possible, several banks, including United Bank Limited and Tamer Bank, offer customer-friendly services like Omni and simple paisa.

Table 7: Easy Access to Account in E-banking

	Frequency	Percentage	Cumulative frequency
Strongly Disagree	40	15.38%	40
Disagree	20	7.69%	60
Neutral	50	19.23%	110
Agree	70	26.92%	180
Strongly Agree	80	30.76%	260

Students concur that using electronic banking services to access and manage an account is simple. 70% of respondents accept this assertion, with 26.92% agreeing and 30.76% strongly agreeing.

Table 8: Correlation test with satisfaction,, Awareness, Security and convenience

Correlation		
		Satisfaction
Awareness	P. Correlation	0.458(**)
		0.000
		260
Convenience	P. Correlation	0.412(**)
		0.000
		260
Security	P. Correlation	0.487(**)
		0.000
		260

** The correlation is significant at the 0.01 level (2-tailed). It has been demonstrated that there is a positive and significant correlation between awareness and satisfaction as well as between convenience and contentment. Furthermore, we have found a significant and favorable relationship between satisfaction and security concerns. Our findings demonstrate that awareness, convenience, and security are necessary to increase Karachi students' satisfaction levels.

Conclusion & Recommendations

The findings clearly show that students in Karachi are aware of and taking advantage of the electronic services provided by Pakistani banks. Electronic banking services have also increased student happiness and loyalty. Our research indicates that awareness, convenience, and security are necessary to increase the satisfaction levels of Karachi students.

The vast majority of Pakistani students now make use of and profit from the quickly growing electronic banking services. Particularly in underdeveloped countries, electronic banking is believed to be safe and to reduce stress. Without physically going to the bank, students can transfer money, pay their fees, and carry out other bank functions.

Electronic banking has allowed people to save money and time. People, especially students, are encouraged to adopt and use modern electronic banking services because of their ease, security, and happiness. From their homes, workplaces, colleges, institutions, etc., people can utilize and manage their accounts using a variety of electronic methods. These days, many feel safer carrying debit and credit cards instead of cash or checks.

The accuracy and security of electronic banking services have increased the importance of this rapidly growing system. People can use and enjoy electronic financial services in a safe and convenient way. The electronic banking system has increased student satisfaction and loyalty in Karachi. The accuracy, security, and ease of use of the new services should be promoted more by banks.

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